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AUTHORITY: 40 U.S.C. 486(c).

SOURCE: 64 FR 37211, July 9, 1999, unless otherwise noted.

Subpart 514.2—Solicitation of Bids**514.201 Preparation of invitations for bids.****514.201-1 Uniform contract format.**

Include the following notice in each solicitation:

The information collection requirements contained in this solicitation/contract, are either required by regulation or approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned OMB Control No. 3090-0162.

514.201-2 Part I—The Schedule.

(a) When you use Standard Form 33, Solicitation, Offer and Award, include the following cautionary notice:

Notice to Bidders—Use Item 13 of the Standard Form 33, Solicitation, Offer and Award, to offer prompt payment discounts. The Prompt Payment clause of this solicitation sets forth payment terms. Do not insert any statement in Item 13 which requires payment sooner than the time stipulated in the Prompt Payment clause. *Example:* If you insert “NET 20” in Item 13, GSA will reject your offer as nonresponsive because the entry contradicts the 30 day payment terms specified in the Prompt Payment clause.

(b) When you use any other authorized form (e.g., Standard Form 1447, Solicitation/Contract), include the notice in paragraph (a) of this section. Change the reference to the form number, form title, and item number accordingly.

514.201-6 Solicitation provisions.

When you will consider all or none bids, insert the provision at 552.214-70, “All or None” Offers, in the solicitation. For requirements or indefinite quantity contracts, use Alternate I. Do not include this provision in solicitations when you require the bidder to submit bids on all items and will make only one award.

514.201-7 Contract clauses.

(a) *Stock replenishment contracts.* For some stock replenishment contracts, individual contractors may be unable to furnish the Government’s monthly requirements. You may determine that progressive awards will be more expedient. In such cases, insert a clause substantially the same as the clause 552.214-71, Progressive Awards and Monthly Quantity Allocations, in the solicitation and contract.

(b) *Examinations of Records.* (1) Insert 552.214-70, Examination of Records by GSA, in solicitations and contracts for supplies or services that exceed \$100,000, and acquisitions of leasehold interests in real property that exceed the simplified lease acquisition threshold, that meet at least one of the following conditions:

(i) Involve the use or disposition of Government-furnished property.

(ii) Provide for advance payments, progress payments based on cost, or guaranteed loan.

(iii) Contain a price warranty or price reduction clause.

(iv) Include an economic price adjustment clause where the adjustment is not based solely on an established, third party index.

(v) Are requirements, indefinite-quantity, or letter contracts as defined in FAR part 16.

(vi) Contain the provision at FAR 52.223-4, Recovered Materials Certification.

(2) You may modify the clause to define the specific area of audit (e.g., the

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use or disposition of Government-furnished property). Legal Counsel and the Assistant Inspector General—Auditing or Regional Inspector General—Auditing, as appropriate, must concur in any modifications to the clause.

514.202 General rules for solicitation of bids.

514.202-4 Bid samples.

(a) *Solicitation requirements.* (1) When you require bid samples, require bidders to submit samples produced by the manufacturer whose products will be supplied under the contract.

(2) The FAR limits use of bid samples to cases where you cannot describe some characteristics of a product adequately in the specification or purchase description. This usually applies to subjective characteristics. You may determine that you need to examine objective characteristics of bid samples to determine the responsiveness of a bid. Base your determination on past experience or other valid considerations. In the solicitation, separately list “Subjective Characteristics” and “Objective Characteristics.”

(3) A sample provision appears at 552.214-72, Bid Sample Requirements. You may use this provision as shown or modify it to fit the circumstances of a procurement.

(b) *Handling and disposition of samples.*

(1) Retain samples from accepted bids for the period of contract performance. If you have no outstanding claims regarding the contract, dispose of the samples at the end of the contract term following the bidder’s instructions.

(2) If you anticipate a claim regarding the contract, retain the bid samples until the claim is resolved.

(3) Retain samples from unsuccessful bids until you make award. After award, dispose of these samples following the bidder’s instructions.

(c) *Using bid samples.* Include the information required by FAR 14.202-4(e) in the solicitation. Provide the number, size, and full description of samples with instructions on how to submit bids. List the characteristics that you will examine. The list needs to include any aspect of the bid sample the

acquisition team will examine to determine the product(s) acceptability.

514.203 Methods of soliciting bids.

514.203-1 Transmittal to prospective bidders.

Prospective bidders, as used in FAR 14.203-1, include both the following:

(a) The incumbent contractor, except when its written response to the notice of contract action under FAR subpart 5.2 states a negative interest.

(b) Bidders that responded to recent solicitations for the same or similar items.

514.270 Aggregate awards.

514.270-1 Definition.

Aggregate award means an arrangement whereby two or more separately-priced line items are combined for award to that bidder whose bid will result in the lowest overall cost to the Government for the line items as a group. The individual price for each item does not have to be the lowest bid received. (See also the definition of a “line item” in FAR 3.302.)

514.270-2 Guidelines for use.

(a) GSA usually solicits prices and reserves the right to make award for individual line items. In some cases it serves GSA’s best interest to combine two or more line items for an aggregate award. Such cases include when:

(1) Users desire uniformity of design, style, and finish (e.g., suites of household furniture).

(2) The articles will be assembled and used as a unit, and different manufacturers’ components may not be interchangeable.

(3) Users have high demand for certain articles, but demand for related articles is insufficient to attract competitive bids (e.g., various sized of socket wrenches). Awarding the low-demand articles in conjunction with the high-demand articles may encourage competition.

(4) One location (delivery point) has a large requirement, and another location has a requirement too small to individually attract competitive bids.